

Michigan Department of Health and Human Services (MDHHS or Department)
MEMORANDUM
Lansing, MI

Date: April 13, 2023

TO: Donald Haney, Chairperson, CON NH-HLTCU Informal Workgroup

FROM: Kenneth Wirth, Policy Analyst, MDHHS

RE: Draft Language for Certificate of Need (CON) Nursing Home and Hospital Long-Term-Care Unit (NH-HLTCU) Informal Workgroup

The CON NH-HLTCU Informal Workgroup requested at its March 2, 2023 meeting that the Department provide draft language for their consideration on multiple charges assigned to the workgroup by the CON Commission.

Charge #1: Review definitions for clarity and consistency [Section 2].

- Restructured Section 2(1)(aa) for clarity when applying for CON.

Charge #1 In-Progress

Charge #2: Review adding requirement that a previously approved change of ownership (CHOW) CON must be 100% complete before replacement [Section 7] and/or relocation [Section 8] application(s) can be approved.

- Added new Section 7(4):

An applicant proposing to replace beds must demonstrate that any previously approved change of ownership (CHOW) certificate of need for the facility has been deemed a completed project by the Department before the replacement application can be approved.

- Added new Section 8(1)(g):

An applicant proposing to relocate beds, under Section 8(1), must demonstrate that any previously approved certificate of need for addition of existing nursing home/HLTCU beds at the facility, under Section 8(2), has been deemed a Completed Project by the Department before the relocation application can be approved.

- Added new Section 8(3):

An applicant proposing to relocate existing nursing home/HLTCU beds, under Section 8(1), or add existing nursing home/HLTCU beds, under Section 8(2), must demonstrate that any previously approved change of ownership (CHOW) certificate of need for the facility has been deemed a completed project by the Department before the relocation application can be approved.

Charge #2 Completed

Charge #3: Consider alternative means of collecting and reviewing nursing home citation data [Section 6(1)].

Department has determined new method of collecting and reviewing citation data.

Website Link: <https://www.michigan.gov/lara/bureau-list/bchs/resources>

- Use Nursing Home Inspection Reports links, based on the standard survey dates.

Charge #3 Completed

Charge #4: Review multiple sections for their ability to be broken into subsections [Section 6(1), etc.].

- Section 5(1)(vi), Section 5(2)(vi)
- Section 7(1)(vi), Section 7(2)(vi)
- Section 8(2)(vi)
- Section 9(1)(vi), Section 9(3)(vi)
- Section 9(1)(g)(ii), Section 9(3)(e)(ii) – expanded QAAP, PASSAR, and CMP acronyms and restructured subsections for consistency throughout standard.
- Section 10(3)(e)

Charge #4 Completed

Charge #5: Review adding language regarding QAAP, PASSAR, and CMP to requirements for renewal of lease applications [Section 9(3)].

- Added new Section 9(3)(d):
*(d) All delinquent debt obligations to the State of Michigan have been paid. A payment plan agreed upon by the applicant and the Michigan Department of Treasury shall be considered **not delinquent** for the purpose of this section on the condition the applicant is current and remains current on payments. The debt obligations that must be paid include:*
 - (i) Quality Assurance Assessment Program (QAAP),*
 - (ii) Preadmission Screening and Annual Resident Review (PASARR), and*
 - (iii) Civil Monetary Penalties (CMP).*

Charge #5 Completed

Charge #6: Consider adding language to Section 11 that would require facilities remain current on taxes, fines, and fees.

- Added new Section 11(6):

*(6) The applicant shall agree that, if approved, it will remain current on all taxes, fines, and fees owed to the State of Michigan. A payment plan agreed upon by the applicant and the Michigan Department of Treasury shall be considered **not delinquent** for the purpose of this section on the condition the applicant is current and remains current on payments. The obligations applicable to this section include:*

- (a) Quality Assurance Assessment Program (QAAP),*
- (b) Preadmission Screening and Annual Resident Review (PASAAR), **and***
- (c) Civil Monetary Penalties (CMP).*

Charge #6 Completed

Charge #7: Consider adding language to Section 11(2) to ensure beds are operated in an appropriate manner for the population to be served like Psychiatric Beds and Services.

Language provided to workgroup by the Department. No consensus on language presented and scope of CON to enforce this proposed standard unclear. Potential interference with LARA regulations could arise in future if this standard adopted.

Charge #7 Completed

Charge #8: Consider language for a Public Health Epidemic.

Revisions presented at March 2 workgroup meeting. Department not in support of proposed language.

Charge #8 Completed

Charge #9: Review process of temporary closure to replace aging structures and consider adding language.

HCAM preparing revisions for presentation at April 13 workgroup meeting.

Charge #9 In-Progress

Charge #10: Consider any other technical changes from the Department, e.g., updates or modifications consistent with other CON review standards and the Michigan Public Health Code.

- Removed reference to “Bureau of Health Services” throughout standards. Now references LARA only.
- Updated “Planning year” definition to reflect updated name for Department of Technology, Management and Budget.
- Technical revision to Section 10(13) for clarity – revised “result in” to “include.”
- Dates updated in Section 14(1).

Charge #10 In-Progress